

FISCAL NOTE

SB 2501 - HB 2577

February 2, 2000

SUMMARY OF BILL: Reduces the number of persons required to form a professional limited liability company (PLLC) from two to one.

ESTIMATED FISCAL IMPACT:

Increase State Revenues - Not Significant

Assumes an increase in revenues due to an increase in the number of persons who would elect to become a PLLC and be required to pay the necessary filing fees with the Secretary of State. Also, because the bill allows a single individual to form a PLLC, it is assumed that some sole-proprietorships seeking liability protection could convert to a PLLC format and therefore be subject to Franchise and Excise taxes according to the new 1999 F&E law. However, the increase in the number of new PLLCs which would result from enactment of this bill and the resultant increase in state revenues is estimated to be not significant the first year.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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